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July 10, 2008

CARDIN, SNOWE AND MIKULSKI INTRODUCE BILL TO PROVIDE FAIR TREATMENT OF VOLUNTEERS HURT BY RISING GAS PRICES

WASHINGTON – U.S. Senators **Benjamin L. Cardin** (D-MD), **Olympia Snowe** (R-ME), and **Barbara A. Mikulski** (D-MD) today introduced the *Fair Deal for Volunteers Act*, which would provide relief to volunteers who use their personal vehicles for charitable activities. Under current law, mileage rates for charitable activity is fixed under the Internal Revenue Code at just 14 cents per mile, while the average cost of a gallon of regular gas has more than doubled in the last eight years.

"Americans are hurting every time they fill up their gas tank, but this has not diminished our volunteer spirit or desire to help others," said **Senator Cardin**. "As the state of our economy worsens and the need to help the most vulnerable in our community increases, we recognize that our charitable organizations and volunteers are feeling the pain too. Congress has a responsibility to act so that the IRS can increase mileage rates for charitable volunteers to reflect our current economic climate."

"The services that our charitable organizations provide are invaluable – especially to our seniors and those who live in rural areas," said **Senator Snowe**. "At a time when gas prices continue to soar, we need to provide as much relief and support as possible to the volunteers that these organizations rely on so they can continue to help the most vulnerable in our community."

"As the nation struggles with rising fuel costs and a struggling economy, we know that charitable organizations are really feeling an impact. I am proud to stand with my colleagues to support this bill to level the playing field for hardworking volunteers who are helping those in need," said **Senator Mikulski**. "Every year, we fight for the federal investments that many of these charitable organizations and volunteer rely on. Now, these programs face an additional hurdle with increased fuel and food costs. I will continue to fight to provide relief for families and businesses suffering to stay afloat."

The *Fair Deal for Volunteers Act* would provide the IRS with flexibility in setting the mileage rate deduction for volunteers. Currently, the IRS is able to increase the deduction amount for medical and moving expenses to reflect current economic conditions because the rate is not written into the law. By allowing the IRS flexibility in setting the mileage rate for charitable work, volunteers and organizations could be allowed the same tax benefit as those who take deductions for moving and medical expenses. In today's climate of increasing food and fuel prices, this bill will help relieve some of the pressure felt by charitable organizations and their volunteers.

On July 1, the IRS modified the standard mileage rates for computing the deductible costs of operating an automobile for medical and moving expenses from 19 cents to 27 cents per mile. The IRS attributed this increase to recent increases in the price of fuel.

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